Maurice Hinchey NEWS

26 TH CONGRESSIONAL DISTRICT, NEW YORK

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FOR IMMEDIATE RELEASE February 15, 2001

LOCKHEED MARTIN AWARDED \$226 MILLION CONTRACT TO GIVE A-10 FLEET PRECISION STRIKE CAPABILITY

OWEGO – U.S. Representative Maurice Hinchey (D-NY) today announced that Lockheed Martin Systems Integration – Owego has entered into a \$226 million contract with the U.S. Air Force to provide the A/OA-10 aircraft with precision strike capability. A modification of the A/OA-10 Prime base contract that was previously awarded to Lockheed Martin, this new contract will result in the largest single upgrade ever undertaken for the A-10. Its value is estimated at \$74 million through 2004 during the Engineering, Manufacturing and Development (EMD) phase and \$152 million for "follow-on" production, during which the entire A-10 fleet will be outfitted with the new system.

"The Air Force has made a very wise decision in awarding this contract," said Hinchey. "Lockheed Martin is a worldwide leader in this field and has been doing excellent work on the A-10 fleet. So this modification makes perfect sense in terms of both quality and cost-savings."

As part of the base contract, Lockheed Martin will create and implement a Precision Engagement system for the A-10. This will include the installation of a digital stores management system for cockpit interface with its weapon systems, new cockpit displays, a Situational Awareness Data Link to provide accurate information about friendly forces and potential threats, and future targeting pod integration.

The modification announced today adds to the system a Direct-Current generator upgrade and the integration of guided weapons such as the Joint Direct Attack Munition and the Wind Corrected Munitions Dispenser. By combining all of the upgrades into one program, the new contract reduces aircraft downtime and saves the Air Force approximately \$150 million over the cost of doing each upgrade separately.

Stephen D. Ramsey, vice president of Lockheed Martin's Aerospace Systems, said. "We are delighted to provide our customer with more capability, sooner than planned, and for less money. This project demonstrates that great ideas result from the continued strong working partnership between our Air Force customer and the A-10 Prime team."

The A/OA-10 is an effective, survivable twin-engine jet aircraft that can be used against ground targets, including tanks and armored vehicles. It has excellent capability at low air speeds and

altitudes. The new upgrade will enable the A-10 to perform vital missions with greater accuracy at higher altitudes.

The A/OA-10 Prime base contract was awarded to Lockheed Martin in December 1997. Lockheed Martin Systems Integration – Owego leads a team that includes BAE SYSTEMS in Johnson City, NY, and Southwest Research Institute in San Antonio, Texas. In its capacity as prime contractor, Systems Integration – Owego develops and integrates modifications for the fleet and is the primary provider of sustaining engineering services. This long-term support will help sustain the fleet's optimal performance level through 2008.

The contract, of which this new modification is a part, helps Lockheed Martin Systems Integration – Owego sustain its current work force of approximately 4,300 employees and to continue expanding. The company has hired more than 300 employees every year since 1996 and it describes its hiring outlook for 2001 as "healthy."

Hinchey has been a strong supporter of the A-10 program. In his two years as a member of the House Appropriations Committee, Hinchey has secured \$9.4 million in additional funding for A-10 contracts for which Lockheed Martin Systems Integration - Owego was the prime contractor. For Fiscal Year 2001, Hinchey delivered a \$6.8 million increase for the procurement of A-10 aircraft for the Air Force and a \$1.1 million increase in research and development for A-10s.

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